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ANY INTEREST? I GUESS
 TIME IS TIGHT SO LET
 ME KNOW ASAP IF YOU
 WOULD LIKE TO SET-UP A
 MTG.

August 25, 1992

Rick Stirlen
 Philip Morris
 120 Park Avenue
 New York, NY 10017

Dear Rick,

We are proud to offer PHILIP MORRIS the following advertising/tour sponsorship package. The tour is entitled the SPIN/Fontana tour, featuring Fontana recording artists House of Love, Catherine Wheel and Ocean Color Scene. All three bands, and the Fontana label, are relative newcomers to America and come to the States with high critical acclaim based on their proven success in England.

Since the tour is nearly upon us and hence this sponsorship opportunity available at a late date, we will offer a sponsorship price that is discounted tremendously in order to secure your sponsorship. While the total tour's funding will be around \$500,000, we are simply asking for the following fee.

PACKAGE #1: 3 pages in SPIN \$47,430 (1X 4C National rate), plus \$75,000 net fee for the tour sponsorship. In addition, SPIN will donate a half-page 4C ad at no cost to promote an in-book sweepstakes to give away 1500 sampler CD's of music by the tour's featured artists.

PACKAGE #2: 6 pages in SPIN \$92,640 (6X 4C National rate), plus \$50,000 net for the tour. In addition, SPIN will donate a full-page 4C ad at no cost to promote an in-book sweepstakes program to give away 1500 sampler CD's of music by the tour's featured artists.

The single most important point about this tour is that either of the two packages above will secure for PHILIP MORRIS the first right-of-refusal option for the planned summer 1993 SPIN tour to be held in conjunction with Polygram (Fontana's parent company).

Camouflage Associates

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New York, NY 10011

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As for signage at the event itself, PHILIP MORRIS can merchandise this event in all possible manners within reason. In order to nail these particular details down more thoroughly (i.e. what PHILIP MORRIS would like, what additional opportunities the tour might allow), I suggest a direct conversation between us in a conference call. Nevertheless, the basics are as follows:

- * Sponsorship mention on all tickets.
- * Sponsorship on all marquees.
- * Sponsorship mention (with logo where applicable) on all pre-promotional printed materials, such as advertisements in SPIN and local newspaper and radio advertising.
- * Product giveaways in local ticket giveaway promotions to be conducted through radio and at in-store promotions at record outlets.
- * Signage with logo at the concert venue itself, particularly at entrance to seating area, along side walls, and behind stage. Additional signage can be available through discussion.

As you consider this proposal, you must keep at the forefront of your consideration the halo effect which this exciting and alternative music event can bring to the brand image, awareness and association for PHILIP MORRIS with your consumer audience. Additional tie-ins with local retailers and SPIN's support can also help your trade efforts. All in all, a well-rounded print and event oriented package at a low cost, particularly a low-cost compared to the usual sponsoring fee structures.

Thank you once again for your consideration and I look forward to speaking with you immediately.

Sincerely,



John Rollins
Vice-President
Advertising Director

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